

ARIZONA DEPARTMENT OF REVENUE

JUNE 1999 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>June 1999</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$174,780,155	\$1,757,318,805
Percent Change	6.0%	11.8%
Corporate Income Tax		
Net Collections	\$112,235,351	\$545,388,138
Percent Change	17.8%	3.3%
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$222,547,661	\$2,566,098,011
Change	9.0%	8.6%
Total Big Three Tax Types		
Net Collections	\$509,563,168	\$4,868,804,954
Percent Change	9.7%	9.0%

TAX FACTS

June 1999

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	June 1999	June 1998	% Change
Gross Collections	\$70,011,149	\$67,027,574	4.5%
Withholding	\$170,647,698	\$158,610,060	7.6%
Refunds	(\$37,519,471)	(\$36,538,140)	2.7%
Urban Revenue Sharing	(\$28,359,221)	(\$24,270,298)	16.8%
Net Collections	\$174,780,155	\$164,829,195	6.0%

	Fiscal Year Total	Fiscal Year Total	% Change
Gross Collections	\$758,925,529	\$655,658,330	15.8%
Withholding	\$2,056,309,454	\$1,854,780,036	10.9%
Refunds	(\$717,605,521)	(\$647,923,567)	10.8%
Urban Revenue Sharing	(\$340,310,656)	(\$291,243,578)	16.8%
Net Collections	\$1,757,318,805	\$1,571,271,222	11.8%

Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$6,950 for June and \$0.846 million for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. Refunds issued as a result of the FERC project totaled \$4,420 in June and \$0.437 million the fiscal year. In addition to this amount, \$0 of available credits were used to cover outstanding agency debts. The law firm of Bonn, Lusher, Padden & Wilkins has obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This amount is equal to \$884 for the month of June and \$0.089 million for the fiscal year.

Individual Income Tax Document Count

In calendar year 1998, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	TOTAL
#	38,237	1,142,300	66,008	102,748	280	38,999	569,223	18,721	1,976,516
%	1.9	57.8	3.3	5.2	0.0	2.0	28.8	0.9	

In calendar year 1999 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	TOTAL
#	26,273	1,196,483	52,875	95,815	35	30,779	326,815	17,075	159,598	1,905,749
%	1.4	62.8	2.8	5.0	0.0	1.6	17.1	0.9	8.4	

The 1,905,749 returns filed through June 1999 compares to 1,835,340 filed through June 1998, an annual increase of 3.8%. This count represents multiple tax years. For tax year 1998 filed in 1999, 1,853,374 returns have been filed, an increase of 3.9% from 1997 returns filed in 1998 for the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,186,547 returns in calendar year 1999 for tax year 1998 from filers who also have returns on record from calendar year 1997 with the same marital status. On average, these filers experienced a 8.3% growth in FAGI and a 10.7% increase in tax liability. More specifically, 32.4% of these filers experienced a decrease in tax liability, on average a decrease of 36.3% with a corresponding average decrease in FAGI of 20.0%. Filers showing an increase in tax liability totaled 667,884, or 56.3%, with an average FAGI increase of 30.2% and an average tax liability increase of 54.3%.

Average Individual Income Tax Refund

	Average	Number
1999 YTD	\$512.31	1,237,934
1998 YTD	\$481.36	1,180,540
% Change	6.4%	4.9%

"New" Filers in Calendar Year 1999

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 1999 through the end of June. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 173,196 "new" returns have been filed thus far in 1999, representing approximately 214,121 persons, not including dependents. The average Federal Adjusted Gross Income for these 173,196 returns is \$19,308, with an average tax liability of \$307. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 22.5% had a married filing joint filing status, 9.2% claimed a 65 And Over Exemption and 41.1% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year.

6/99	140ES payment	\$3,857,992	Cumulative	\$49,525,763
6/98	140ES payment	\$40,380,046	Cumulative	\$80,560,172
	percent change	(90.4%)		(38.5%)
6/99	Average payment	\$666	Cumulative	\$1,004
6/98	Average payment	\$1,218	Cumulative	\$1,084
	percent change	(45.3%)		(7.4%)
6/99	applied refund	\$2,087,881	Cumulative	\$20,149,045
6/98	applied refund	\$2,635,619	Cumulative	\$19,568,228
	percent change	(20.8%)		3.0%
total 6/99		\$5,945,874	Cumulative	\$69,674,808
total 6/98		\$43,015,665	Cumulative	\$1,000,128,401
	percent change	(86.2%)		(93.0%)

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 1997 through March 1998, \$403,625,797 was received for the first quarter of 1997. The latest complete quarter (15 months of information has been compiled) is the second quarter of 1998, which shows a growth rate of 13.2% in withholding payments over the second quarter of 1997. Growth in quarters for which information is still being gathered is as follows:

3 rd Quarter 1998	11.3%	1 st Quarter 1999	6.5%
4 th Quarter 1998	11.1%	2 nd Quarter 1999	10.8%

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fifteenth month of information available for the fourth quarter of 1998 was compared against the fifteenth month of collections for fourth quarter 1997. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	\$	Average
Calendar Year 1999	16,915	5,190,421	306.85
Calendar Year 1998	18,285	5,478,957	299.64
% Change	(7.5%)	(5.3%)	2.4%

Contributions on the Individual Income Tax Return

Through June 1999 the following contributions have been made by individual income tax return filers

	Number	Amount	Average
Wildlife	11,805	\$149,640	\$12.68
Child Abuse	13,130	\$202,829	\$15.45
Special Olympics	6,534	\$70,020	\$10.72
Neighbors Helping	4,367	\$38,943	\$8.92
AID to Education	330	\$48,503	\$146.98
Domestic Violence Shelter	10,222	\$137,524	\$13.45
Democratic Party	913	\$12,731	\$13.94
Republican Party	632	\$11,493	\$18.19
Libertarian Party	189	\$2,871	\$15.19
Reform Party	42	\$601	\$14.31

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	June 1999	June 1998	% Change
Gross Collections	\$116,170,184	\$97,595,867	19.0%
Refunds	(\$3,934,833)	(\$2,327,934)	69.0%
Net Collections	\$112,235,351	\$95,267,933	17.8%

	Fiscal Year Total	Prior Fiscal Year Total	% Change
Gross Collections	\$641,668,650	\$627,956,626	2.2%
Refunds	(\$96,280,512)	(\$99,895,552)	(3.6%)
Net Collections	\$545,388,138	\$528,061,074	3.3%

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

June 1999	\$108,372,716	Calendar Year Total	\$266,229,925
June 1998	\$92,662,410	Calendar Year Total	\$240,445,747
% Change	17.0%	% Change	10.7%

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for June 1999 and for the fiscal year.

Size of Payment →	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
June 1999	552	82	91	7	12	1	745	10.9
June 1998	483	81	84	14	9	1	672	
CY 1999	1,533	207	221	30	25	2	2,018	5.3
CY 1998	1,392	225	235	40	22	2	1,916	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 97/98, 2.8% of the refund dollars paid were for corporate fiscal years ending in 1993 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	93 & Prior	94	95	96	97	98
FY 97/98	2.8%	3.5%	5.4%	70.9%	16.9%	0.5%

Corporate Fiscal Year-End:	94 & Prior	95	96	97	98	99
FY 98/99	3.8%	2.1%	3.9%	66.5%	23.1%	0.6%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

June 1999	\$2,664,955	Calendar Year Total	\$24,756,638
June 1998	<u>\$6,635,477</u>	Calendar Year Total	<u>\$24,415,945</u>
% Change	(59.8%)	% Change	1.4%

Corporate Income Tax Document Count

The Arizona Department of Revenue received 91,679 corporate returns showing a fiscal year-end of 1997. The type of return received is indicated below:

	<u>120X (amended)</u>	<u>120 (regular)</u>	<u>120S (S corp)</u>	<u>99T (exempt org.)</u>
#	464	51,681	39,178	356
%	0.5	56.4	42.7	0.4

Through June 1999, 64,004 documents have been received for a fiscal year-end of 1998, distributed as follows:

	<u>120 X (amended)</u>	<u>120 (regular)</u>	<u>120S (S corp)</u>	<u>99T (exempt org.)</u>
#	138	34,353	29,265	248
%	0.2	53.7	45.7	0.4

The figures shown above for the 1998 returns are most meaningful when compared to 1997 returns received during the same period of time in the previous year. Through June 1998 the Arizona Department of Revenue received 61,688 documents with a fiscal year-end of 1997. This represents an increase of 3.8% in corporate returns received at this point of time in the calendar year.

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 1998/1999 is based on net income tax collections in Fiscal Year 1996/1997. Amounts returned for June 1999 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Mining severance is 80% distribution base and 20% non shared. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax, jet fuel use tax, and over 10 million gallon jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	<u>June 1999</u>	<u>June 1998</u>	<u>% change</u>
Distribution Base	\$95,502,147	\$87,703,159	8.9
Non shared	176,615,798	161,395,114	9.4

Use Tax	12,993,173	12,491,050	4.0
Other Revenues	34,128,217	25,126,013	35.8
Total Collections	\$319,239,335	\$286,715,336	11.3

	Fiscal Year Total (98/99)	Fiscal Year Total (97/98)	% change
Distribution Base	\$1,089,608,974	\$1,015,306,840	7.3
Non shared	2,042,221,022	1,875,579,737	8.9
Use Tax	148,070,856	136,868,591	8.2
Other Revenues	355,260,340	344,450,993	3.1
Total Collections	\$3,635,161,191	\$3,372,206,160	7.8

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund. All of the non shared portion and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege and severance tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	June 1999	June 1998	% change
Retained by State	\$222,547,661	\$204,134,983	9.0
Returned to Counties	38,687,920	35,528,550	8.9
Returned to Cities	23,875,537	21,925,790	8.9
Other	34,128,217	25,126,013	35.8
Total Collections	\$319,239,335	\$286,715,336	11.3

	Fiscal Year Total (99/98)	Fiscal Year Total (98/97)	% change
Retained by State	\$2,566,098,011	\$2,362,627,656	8.6
Returned to Counties	441,400,596	411,300,801	7.3
Returned to Cities	272,402,244	253,826,710	7.3
Other	355,260,340	344,450,993	3.1
Total Collections	\$3,635,161,191	\$3,372,206,160	7.8

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	June 1999	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5%	\$359,950	1.5	\$2,915,110	(9.3)
Non-Metal Mining/Oil & Gas	3.125%	494,104	26.7	6,397,835	7.5
Utilities	5%	18,553,364	1.6	253,332,225	2.9
Communications	5%	9,007,340	4.0	107,651,390	12.2
Railroads/Aircraft	5%	105,033	(22.1)	1,802,879	(1.7)
Private Car/Pipelines	5%	91,513	55.0	777,810	21.8
Publishing	5%	631,015	30.0	5,952,120	7.6
Printing	5%	1,910,152	18.9	20,936,985	3.4
Restaurants/Bars	5%	24,723,689	6.8	273,834,162	7.5
Amusements	5%	2,625,360	7.7	34,007,042	1.1
Commercial Lease	0%	79,119	(19.4)	(205,480)	N/A
Rental of Personal Property	5%	13,878,549	15.1	158,514,796	9.0
Contracting	3.75% - 5%	43,144,022	16.4	501,075,437	17.0
Feed Wholesale	Repealed	58	15.4	1,265	N/A
Retail	5%	146,218,621	8.7	1,648,221,465	8.2
Advertising	0	0	N/A	(20)	N/A
Mining Severance	2.5%	1,655,130	(10.7)	18,731,417	(30.8)

Timber Severance	\$2.13/\$1.51 per 1000 board ft	2,200	104.7	40,260	(22.8)
Hotel/Motel	5.5%	8,176,937	12.8	92,371,436	4.3
Membership Camping	5%	4,114	(36.1)	84,116	3.7

	Tax Rate	June 1999	% Chg	Fiscal Year Total	% Chg
Use/Use Inventory	5%	12,934,249	3.5	148,044,947	8.2
Rental Occupancy Tax	3%	6,484	29.1	117,928	(6.7)
Jet Fuel Tax	\$.0305/\$.0105 gal	452,015	(19.8)	4,940,044	(3.2)
Total		\$285,053,018	9.0	\$3,279,545,168	8.3

The Use/Use Inventory category shown above includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

Transaction Privilege and Severance Tax Taxable Sales By Class¹

	June 1999	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$7,199,007	1.5	\$58,302,201	(9.3)
Non-Metal Mining/Oil & Gas	15,811,332	26.7	204,730,724	7.5
Utilities	371,067,289	1.6	5,066,644,493	2.9
Communications	180,146,793	4.0	2,153,027,806	12.2
Railroads/Aircraft	2,100,662	(22.1)	36,057,579	(1.7)
Private Car/Pipelines	1,830,266	55.0	15,556,192	21.8
Publishing	12,620,297	30.0	119,042,396	7.6
Printing	38,203,039	18.9	418,739,698	3.4
Restaurants/Bars	494,478,394	6.8	5,476,712,938	7.5
Amusements	52,507,195	7.7	680,140,832	1.1
Commercial Lease	5,727,506	N/A	(133,063,779)	N/A
Rental of Personal Property	277,570,983	15.1	3,170,295,110	9.0
Contracting	862,880,433	16.4	10,021,561,060	17.0
Feed Wholesale	12,426	15.4	269,821	N/A
Retail	2,924,372,816	8.7	32,964,475,378	8.2
Advertising	0	N/A	(1,614)	N/A
Mining Severance	66,205,188	(10.7)	749,256,686	(30.8)
Timber Severance	(1)	N/A	(1)	N/A
Hotel/Motel	148,671,588	12.8	1,679,514,834	4.4
Membership Camping	82,271	(36.1)	1,682,321	3.7
Use/Use Inventory	257,106,924	3.1	2,951,266,599	8.1
Rental Occupancy Tax	216,126	29.1	3,930,929	(6.7)
Total	\$5,718,810,534	9.0	\$65,638,142,202	7.3

The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, taxable income cannot be computed. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In June 1999, 16,764,418 gallons of jet fuel were taxed, a 12.9% decrease from the 19,242,544 reported for June 1998. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in June 1999 was \$1,295,653 a 7.8% increase from the \$1,202,272 claimed in June 1998. Accounting credits claimed-to-date in FY 98/99 equals \$14,526,799 a 11.0% increase from the \$13,081,985 claimed to date in FY 97/98.

¹These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Smitty's might be considered both a grocery store or a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code Range</u>	<u>Description</u>	<u>June 1999</u>	<u>June 1998</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$171,794,548	\$156,416,560	9.8%
5311-5399	general merchandise stores	\$328,230,643	\$315,435,993	4.1%
5411-5499	food stores (no food sales)	\$243,642,775	\$212,205,226	14.8%
5511-5521	motor vehicle dealers	\$523,810,460	\$462,943,179	13.1%
5531-5599	misc. automotive, motorcycle & boat stores	\$169,807,357	\$159,927,848	6.2%
5611-5699	apparel & accessory stores	\$173,262,590	\$157,016,154	10.3%
5712-5733	furniture, home furnishings & equipment stores	\$152,591,054	\$143,925,544	6.0%
5912-5949	misc. retail stores	\$203,292,878	\$191,019,956	6.4%
	TOTAL	\$2,924,372,416	\$2,691,332,961	8.7%

<u>SIC Code Range</u>	<u>Description</u>	<u>Fiscal Yr 1999</u>	<u>Fiscal Yr 1998</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,824,639,717	\$1,655,450,205	10.2%
5311-5399	general merchandise stores	\$3,610,876,469	\$3,470,749,067	4.0%
5411-5499	food stores (no food sales)	\$2,763,330,249	\$2,615,223,800	5.7%
5511-5521	motor vehicle dealers	\$5,496,081,166	\$4,909,829,506	11.9%
5531-5599	misc. automotive, motorcycle & boat stores	\$1,739,052,209	\$1,630,561,014	6.7%
5611-5699	apparel & accessory stores	\$2,108,580,040	\$1,913,853,295	10.2%
5712-5733	furniture, home furnishings & equipment stores	\$1,810,483,874	\$1,660,266,534	9.0%
5912-5949	misc. retail stores	\$2,442,025,222	\$2,330,507,596	4.8%
	TOTAL	\$32,964,429,309	\$30,469,035,920	8.2%

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for June 1999 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$173,838	\$309,998	0.8	\$3,565,934	5.3
Cochise	1,272,619	734,329	1.9	8,390,958	6.4
Coconino	2,724,263	1,150,389	3.0	12,695,530	4.2
Gila	745,114	352,448	0.9	4,067,599	(2.1)
Graham	342,783	196,080	0.5	2,247,541	5.0
Greenlee	644,767	274,635	0.7	3,226,878	(15.4)
La Paz	230,665	121,669	0.3	1,421,105	8.0
Maricopa	64,162,448	24,312,905	62.8	277,695,556	8.5
Mohave	2,241,931	1,086,843	2.8	12,194,408	4.8
Navajo	1,326,903	619,668	1.6	7,136,959	6.7
Pima	14,746,326	6,175,507	16.0	70,057,426	6.7
Pinal	1,776,612	950,039	2.5	11,018,980	5.4
Santa Cruz	563,475	258,861	0.7	2,968,377	6.2
Yavapai	2,808,860	1,278,864	3.3	14,218,059	6.7
Yuma	1,741,543	865,684	2.2	10,495,286	6.7
Total	\$95,502,147	\$38,687,920		\$441,400,596	7.3

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for June 1999 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during June 1999 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in November, 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax
Apache		\$51,944					
Cochise		\$378,025					
Coconino		\$737,538	\$438,762				
Gila	\$192,097	\$187,510					
Graham		\$99,515					
Greenlee		\$42,235					
La Paz		\$58,420	\$58,466				
Maricopa	\$19,510,343		\$6,948,430	\$479,655	\$51,281		
Navajo		\$372,694					
Pima				\$92,006		\$7,243	
Pinal	\$513,036	\$481,577					
Santa Cruz		\$161,547					
Yavapai		\$778,039					
Yuma		\$504,386	\$504,028				

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in June 1999. The table compares the receipts to June 1998 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	June 1999	June 1998	% Change
Spirituous	\$1,604,268	\$1,465,455	9.5%
Vinous	\$594,416	\$450,067	32.1%
Malt	\$1,724,419	\$1,739,263	(0.9%)
Cigarette	\$13,256,347	\$13,760,951	(3.7%)
Other Tobacco	\$296,425	\$296,897	(0.2%)
Tobacco Licenses	\$175	\$500	(65.0%)
Total	\$17,476,050	\$17,713,132	(1.3%)

	FY 1999	FY 1998	% Change
Spirituous	\$19,648,670	\$18,787,775	4.6%
Vinous	\$7,969,428	\$7,893,100	1.0%
Malt	\$20,534,013	\$19,463,378	5.5%
Cigarette*	\$159,304,324	\$161,224,689	(1.2%)
Other Tobacco	\$3,531,980	\$3,522,500	0.3%
Tobacco Licenses	\$7,175	\$7,100	1.1%
Total	\$210,995,590	\$210,898,542	0.0%

*In July, 1998, \$352,900 of Cigarette and Tobacco tax collections was allocated for administrative expenses and is not reflected in Fiscal year collections.

General Fund revenues from luxury taxes:

	June 1999	FY 1999
Spirituous	\$1,122,987	\$13,753,852
Vinous	\$148,215	\$1,987,593
Malt	\$431,105	\$5,133,502
Cigarette	\$3,552,555	\$43,340,920
Other Tobacco	\$45,946	\$547,457
Tobacco Licenses	\$175	\$7,175
Total	\$5,300,982	\$64,770,498

Other dedicated revenues from luxury taxes:

	<u>June 1999</u>	<u>FY 1999</u>
Correction Fund revenues	\$2,206,465	\$24,382,967
Health Care Fund revenues	\$9,222,650	\$112,735,957
Wine Promotional Fund revenues	\$6,206	\$14,595
Drug Treatment & Education Fund revenues	\$529,409	\$6,502,823
Corrections Revolving Fund revenues	\$210,338	\$2,583,453

Estate Tax

June 1999	\$7,747,674	Fiscal year To Date	\$87,250,098
June 1998	\$8,765,788	Fiscal year To Date	\$62,902,674
% Change	(11.6%)	% Change	38.7%

Private Car

	June 1999	\$0	Fiscal year To Date	\$1,441,440
	June 1998	<u>\$815</u>	Fiscal year To Date	<u>\$1,494,821</u>
% Change		N/A	% Change	(3.6%)

Bingo

	June 1999	\$46,107	Fiscal year To Date	\$717,830
	June 1998	<u>\$42,349</u>	Fiscal year To Date	<u>\$750,970</u>
% Change		8.9%	% Change	(4.4%)

Unclaimed Property

	June 1999	(\$8,560,182)	Fiscal year To Date	\$2,084,512
	June 1998	<u>(\$8,814,286)</u>	Fiscal year To Date	<u>\$2,402,542</u>
% Change		(2.9%)	% Change	(13.2%)

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 2

**Urban Revenue Sharing Returned to Cities/Towns
June 1999**

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,399,054	168,176
Eagar	\$37,560	4,515	Surprise	89,321	10,737
Springerville	15,972	1,920	Tempe	1,279,635	153,821
St. Johns	27,952	3,360	Tolleson	36,903	4,436
<u>Cochise County</u>			Wickenburg	39,640	4,765
Benson	\$34,233	4,115	Youngtown	22,411	2,694
Bisbee	54,073	6,500	<u>Mohave County</u>		
Douglas	122,955	14,780	Bullhead City	\$224,114	26,940
Huachuca City	16,139	1,940	Colorado City	26,538	3,190
Sierra Vista	314,583	37,815	Kingman	139,501	16,769
Tombstone	11,688	1,405	Lake Havasu City	301,854	36,285
Willcox	29,391	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$42,177	5,070
Flagstaff	\$453,218	54,480	Pinetop-Lakeside	27,461	3,301
Fredonia	10,399	1,250	Show Low	58,133	6,988
Page	66,136	7,950	Snowflake	34,274	4,120
Williams	22,378	2,690	Taylor	22,087	2,655
<u>Gila County</u>			Winslow	89,679	10,780
Globe	\$58,715	7,058	<u>Pima County</u>		
Hayden	7,570	910	Marana	\$50,862	6,114
Miami	16,971	2,040	Oro Valley	163,526	19,657
Payson	91,542	11,004	Sahuarita	19,225	2,311
Winkelman	5,624	676	South Tucson	45,355	5,452
<u>Graham County</u>			Tucson	3,694,779	444,138
Pima	15,390	1,850	<u>Pinal County</u>		
Safford	72,982	8,773	Apache Junction	\$162,428	19,525
Thatcher	32,918	3,957	Casa Grande	173,700	20,880
<u>Greenlee County</u>			Coolidge	58,690	7,055
Clifton	\$24,915	2,995	Eloy	74,164	8,915
Duncan	\$5,806	735	Florence	94,753	11,390
<u>La Paz County</u>			Kearny	20,423	2,455
Parker	\$24,541	2,950	Mammoth	16,305	1,960
Quartzsite	16,680	2,005	Superior	28,992	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$189,432	22,771	Nogales	\$171,829	20,655
Buckeye	40,405	4,857	Patagonia	7,861	945
Carefree	19,017	2,286	<u>Yavapai County</u>		
Cave Creek	25,589	3,076	Camp Verde	\$62,101	7,465
Chandler	1,101,101	132,360	Chino Valley	52,227	6,278
El Mirage	47,759	5,741	Clarkdale	21,629	2,600
Fountain Hills	117,680	14,146	Cottonwood	54,448	6,545
Gila Bend	14,533	1,747	Jerome	3,827	460
Gilbert	493,632	59,338	Prescott	258,604	31,086
Glendale	1,519,172	182,615	Prescott Valley	133,462	16,043
Goodyear	76,951	9,250	Sedona	73,989	8,894
Guadalupe	45,405	5,458	<u>Yuma County</u>		
Litchfield Park	31,105	3,739	San Luis	\$66,768	8,026
Mesa	2,812,791	338,117	Somerton	48,450	5,824
Paradise Valley	103,555	12,448	Wellton	9,367	1,126
Peoria	620,305	74,565	Yuma	522,366	62,792
Phoenix	9,561,986	1,149,417	TOTAL	\$28,359,221	3,409,012
Queen Creek	25,556	3,072			

TABLE 3**Transaction Privilege and Severance Tax Returned to Cities/Towns****June 1999**

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Queen Creek	\$21,515	3,072
Eagar	\$31,621	4,515	Scottsdale	1,177,846	168,176
Springerville	13,447	1,920	Surprise	75,198	10,737
St. Johns	23,532	3,360	Tempe	1,077,309	153,821
<u>Cochise County</u>			Tolleson	31,068	4,436
Benson	\$28,820	4,115	Wickenburg	33,372	4,765
Bisbee	45,524	6,500	Youngtown	18,868	2,694
Douglas	103,514	14,780	<u>Mohave County</u>		
Huachuca City	13,587	1,940	Bullhead City	\$188,678	26,940
Sierra Vista	264,843	37,815	Colorado City	22,342	3,190
Tombstone	9,840	1,405	Kingman	117,444	16,769
Willcox	24,744	3,533	Lake Havasu City	254,128	36,285
<u>Coconino County</u>			<u>Navajo County</u>		
Flagstaff	\$381,559	54,480	Holbrook	\$35,509	5,070
Fredonia	8,755	1,250	Pinetop/Lakeside	23,119	3,301
Page	55,679	7,950	Show Low	48,942	6,988
Williams	18,840	2,690	Snowflake	28,855	4,120
<u>Gila County</u>			Taylor	18,595	2,655
Globe	\$49,432	7,058	Winslow	75,499	10,780
Hayden	6,373	910	<u>Pima County</u>		
Miami	14,287	2,040	Marana	\$42,820	6,114
Payson	77,068	11,004	Oro Valley	137,671	19,657
Winkelman	4,734	676	Sahuarita	16,185	2,311
<u>Graham County</u>			South Tucson	38,184	5,452
Pima	\$12,957	1,850	Tucson	3,110,588	444,138
Safford	61,443	8,773	<u>Pinal County</u>		
Thatcher	27,713	3,957	Apache Junction	\$136,746	19,525
<u>Greenlee County</u>			Casa Grande	146,236	20,880
Clifton	\$20,976	2,995	Coolidge	49,411	7,055
Duncan	5,148	735	Eloy	62,438	8,915
<u>La Paz County</u>			Florence	79,772	11,390
Parker	\$20,661	2,950	Kearny	17,194	2,455
Quartzsite	14,042	2,005	Mammoth	13,727	1,960
<u>Maricopa County</u>			Superior	24,408	3,485
Avondale	\$159,480	22,771	<u>Santa Cruz County</u>		
Buckeye	34,017	4,857	Nogales	\$144,660	20,655
Carefree	16,010	2,286	Patagonia	6,618	945
Cave Creek	21,543	3,076	<u>Yavapai County</u>		
Chandler	927,004	132,360	Camp Verde	\$52,282	7,465
El Mirage	40,208	5,741	Chino Valley	43,969	6,278
Fountain Hills	99,074	14,146	Clarkdale	18,210	2,600
Gila Bend	12,235	1,747	Cottonwood	45,839	6,545
Gilbert	415,583	59,338	Jerome	3,222	460
Glendale	1,278,972	182,615	Prescott	217,716	31,086
Goodyear	64,784	9,250	Prescott Valley	112,360	16,043
Guadalupe	38,226	5,458	Sedona	62,290	8,894
Litchfield Park	26,187	3,739	<u>Yuma County</u>		
Mesa	2,368,054	338,117	San Luis	\$56,211	8,026
Paradise Valley	87,181	12,448	Somerton	40,789	5,824
Peoria	522,227	74,565	Wellton	7,886	1,126

Phoenix	8,050,118	1,149,417	Yuma	439,773	62,792
			TOTAL	\$23,875,537	3,409,012

The Office of Economic Research & Analysis
Arizona Department of Revenue
1600 W. Monroe
Phoenix, AZ 85007